AARP seeks changes in new Medicare law / Wants to make drugs more affordable

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WASHINGTON - **AARP**, the influential lobby for older Americans, said Friday that it would seek changes in the new Medicare law to allow the government to negotiate lower drug prices for Medicare beneficiaries if private insurers do not rein in drug costs.

"We are beginning an all-out effort to lower the high cost of prescription drugs," said William Novelli, chief executive of **AARP**.

The law explicitly prohibits the government from interfering in negotiations between manufacturers and the private entities that will provide subsidized drug benefits to the elderly.

Republicans and some Democrats insisted on that ban as a way to avoid any hint of federal price controls. They are counting on the private plans to negotiate discounts.

AARP, which has more than 35 million members age 50 and older, was instrumental in securing passage of the legislation, drafted mostly by Republicans. But Novelli said Friday that the law did not go far enough.

Congress, he said, should authorize the secretary of health and human services to "negotiate lower drug prices on behalf of Medicare beneficiaries in the event competitive purchasing doesn't work to lower prices."

When **AARP** endorsed the Medicare bill last year, it infuriated many congressional Democrats and some of its own members, who asserted that the legislation would privatize Medicare. At least 45,000 members resigned in anger, Novelli said.

Novelli said he had no regrets about the endorsement. But, he said, the ensuing uproar has reinforced **AARP**'s determination to make drugs more affordable for all Americans.

"We had intended to keep after drug costs all along," Novelli said. "The public clamor reinforces that. The secretary's authority to negotiate prices has become more of a hot potato in recent weeks."

Rep. Pete Stark, D-Calif., Democratic spokesman on health policy, said the leaders of **AARP** were busily making the rounds on Capitol Hill this week "in an attempt to rehabilitate themselves as advocates for America's seniors."

He urged his colleagues to reject such overtures.